25X1A2g CLASSIFICATION

Sanitized - Approximation <u>|</u>₳¬₽₽₽82-00**45**7**₽₽₽**₽

CD NO.

DATE DISTR.

REPORT NO.

2 Feb 1949

COUNTRY Germany

25X1A9a

SUBJECT

Communist Party Activities in Western NO. OF PAGES 1

Russian Zone 25X1A6a

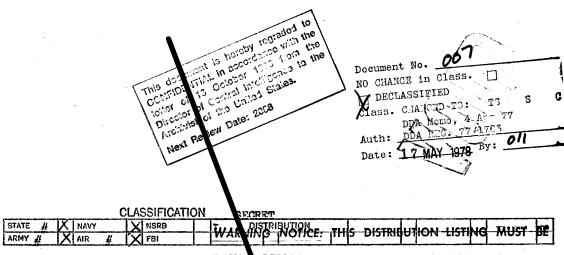
PLACE

NO. OF ENCLS. **ACQUIRED** DATE OF INF 25X1X6 SUPPLEMENT TO

Germany Financed by Sale of Goods from

- The SED was to receive between 150,000 and 200,000 DM of the proceeds of a shipment of 400,000 Iti worth of "Fewa" soap powder from the Hohme Fett Chemie in Chemnitz which was sold to an unknown firm in the British Occupation Zone. This money was to be used to defray costs of various party undertakings in western Germany. The German Economic Commission (DWK) planned to mest some of its financial obligations in western Germany with a part of the proceeds of the same sale.
- Bockground of the transaction: The German Economic Commission had entered into a compensation deal by which they would deliver crude paraffin in exchange for fatty acids from Witten/Ruhr and Ludwigshafen and pay a certain sum in addition. They had failed to keep the financial end of the bargain and the western German contractors refused to deliver additional fatty acids until the money debt was absolved. The sale of the "Fewa" soap powder was therefore arranged with the view of liquidating this money debt and similar debts and to provide additional funds for the purposes mentioned in paragraph 1.

25X1X6 3. believes that the "Fewa" delivery occurred during the early part of November 1948, but does not know at which border point the crossing was made or the identity of the western German recipient who paid for the goods. It is likely that it was one of the subsidiaries of the Menkel Konzern in Disseldorf.



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